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What does an SDG Investor Map do?

- Provides investors with market intelligence (data, analysis and evidence) about investment opportunities and business models that could advance the SDGs in a specific context
- Identifies Investment Opportunity Areas (IOAs) and business models that respond to both SDG needs and policy priorities to guide domestic and foreign investor decision-making
- Identifies opportunities and bottlenecks in the policy and regulatory environment that can guide UNDP additional support to governments

Malaysia SDG Investor Map

The SDG Investor Map is an innovative tool available to UNDP Country Offices to leverage private investment for the implementation of the SDGs.

The first Advisory Committee Meeting on the SDG Investor Map was held on 6 March 2023 that was co-chaired by MITI Deputy Secretary General on Investment, Datuk Bahria Mohd Tamil and from UNDP Malaysia, Dr Haniza Khalid, Senior Development Economist. The Committee members consist of representatives from UN RCO Malaysia, MoF, MIDA, BNM, Khazanah Nasional Berhad, National Chambers of Commerce and Industry of Malaysia (NCCIM), National Council of Women's Organisation (NCWO) and Malaysia Venture Capital and Private Equity Association (MVCA). The main objective of the advisory committee meeting is to communicate and provide high-level insights and advice on the development of the SDG Investor Map. Some of the preliminary findings of the SDG Investor Map include:

- Technology & Communication;
- Healthcare;
- Renewable Resources & Alternative Energy;
- Transport;
- Finance;
- Food & Beverages (F&B); and
- Infrastructure.



Global Reporting Initiatives (GRI)

GRI (Global Reporting Initiative) is the independent, international organisation that helps businesses and other organisations take responsibility for their impacts, by providing them with the global common language to communicate those impacts.

Used by more than 10,000 organisations in over 100 countries, the Standards are advancing the practice of sustainability reporting, and enabling organisations and their stakeholders to take action that creates economic, environmental and social benefits for everyone.

Why report?

Reporting signals a responsible organisation: one that is dedicated to being open and honest with its stakeholders.

Through reporting, an organisation can understand and better manage its impacts on people and the planet. It can identify and reduce risks, seize new opportunities, and take action towards becoming a transparent, trusted organisation in a more sustainable world.



Championing Responsible Business in Malaysia

INVESTKL CXC

“GRI CEO in Malaysia, Singapore and the Philippines to deepen engagement”

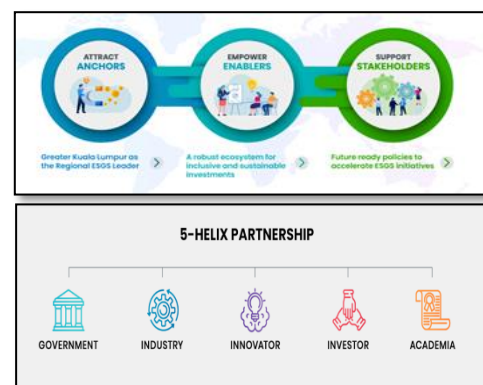
Against a backdrop of growing transparency expectations, including emerging regulations and stakeholder demands, the CEO of GRI, Eelco van der Enden, is undertaking a series of engagements throughout the region from 6 to 16 March. In Kuala Lumpur, he addressed a business networking event on 9 March, hosted by ESGright at the Malaysia International Trade & Exhibition Centre.

Mr van der Enden's high-level meetings in Malaysia includes the Malaysian Ministry of International Trade and Industry, InvestKL, Capital Markets Malaysia, Bursa Malaysia and Malaysia Institute of Accountants.

INVESTKL ESG & SUSTAINABILITY CONNEXION CENTRE (CXC)

“The growing awareness and prominence of sustainability today means that Malaysia must step up their game and accelerate the adoption of ESG practices. I am encouraged by the many Global Services Hubs by world-leading companies that are already playing a crucial role in complementing the Government's sustainability-focused ‘Sustainability Engagement Program’ and ‘Green Value Chain Programme’. CXC will serve as a national strategic platform to leverage the strengths of our partners, enhance the exchange of ideas, acclimatisation of sustainability initiatives and accelerate adoption by our supply chain” *Dato’ Sri Norazman Ayob, Deputy Secretary General (Industry), MITI.*

CXC aims to integrate responsible business across the value chain and advancing Malaysia's aspirations towards an inclusive and sustainable economy.





ESG Excellence Award

Minister of International Trade and Industry (MITI), Tengku Datuk Seri Zafrul Abdul Aziz graced the Launching Ceremony of the 2024 Industrial Excellence Awards (AKI) at Johor Port Berhad. A total of 14 categories will be contested for AKI 2024 which includes the ESG Excellence Award. The winners of the main categories will compete for the Prime Minister's Award, the highest recognition given by the Government to the industry. AKI 2024 will be open for participation from 1 April to 31 August 2023.

Application for participation can be submitted through an online system that can be accessed through aki.miti.gov.my. MITI targets at least 120 companies that meet the eligibility criteria to participate in AKI 2024. AKI 2024 evaluation criteria is based on the Malaysian Business Excellence Framework (MBEF), and includes business performance, clear goal setting, effective implementation of productivity initiatives, and best practices in corporate governance.

Participating companies can reap the benefits of a detailed assessment carried out by an independent team that will assess each company according to internationally accepted standards. Companies will be able to benefit from reports on certain aspects of the company that can be improved in the pursuit of business excellence. Apart from winning awards, companies can also evaluate management practices, products and services based on the excellence framework used internationally.

This Month's ESG tips

Q: What is the history of ESG?

A: In early 2004, the then UN Secretary General, Kofi Annan laid the foundation of ESG (Environment, Social and Governance) Principles. He approached over 50 CEOs of major financial institutions to collectively deliberate the cause of sustainable businesses. The objective of this joint initiative was to find ways to integrate ESG into mainstream capital markets. The term ESG was first coined in 2005 in a landmark study conducted by the IFC entitled "Who Cares Wins" to examine the role of ESG value drivers in asset management and financial research.

The tenets of ESG investing are:

- Environmental - focuses on how a company helps improve the environment and its performance;
- Social - examines how companies influence their stakeholders – personnel, customers, suppliers, partners, and investors and how they can better themselves; and
- Governance - focuses on the company structure, leadership, policies, and compliance.



CBAM

Impact on Malaysia

Carbon Border Adjustment Mechanism (CBAM) could affect up to 64% of Malaysia's exports to the EU by 2026 if the equivalent emissions standards are not complied by domestic manufacturers.

These exports include raw materials such as cement, iron and steel, and aluminum as well as consumer appliances. While this accounts for 5% of total exports, Malaysia's trade competitiveness and investment attractiveness would be further eroded should other countries impose similar regulations.

As global capital flows shift towards greater ESG compliance, this could lead to divestments and write-offs of stranded assets domestically, especially in the hard-to-abate sectors.

Therefore, Malaysia must be cognisant of global decarbonisation developments when pursuing its own transition and manage the likely economic repercussions accordingly.

(Source: *Economic & Monetary Review 2022, BNM*)



i-ESG retreat

- The i-ESG Division Retreat was held from 16-18 March 2023 at Bayou Lagoon Park Resort
- Some of the programmes that were conducted during the retreat include Talk on Core Empowerment, Breakout Sessions and Fun Activities

The main objectives of the retreat are:

1. To set the direction of the new i-ESG Division;
2. To set the strategies and action plans for the i-ESG Framework;
3. To Identify the criteria for AKI ESG Excellence Award;
4. To shortlist designed logos for the Division; and
5. *Esprit de corps.*



Talk by Mr Richard

Core Empowerment: to do your job the best and remove the concept of 'kakitangan' but to include the thinking to promote greater employee engagement for sustainability

Breakout sessions

Some of the outcomes through the breakout sessions include identifying strategies and action plan for i-ESG Framework, setting criteria for ESG Excellence Award and presentation of the Division's logo

Esprit de corps
Union is strength. Harmony and mutual understanding at workplace leads to the achievement of goals efficiently

